

## Message Text

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ORIGIN NEA-10

INFO OCT-01 ISO-00 SSM-03 EUR-12 EA-10 AID-05 CIAE-00  
COME-00 EB-08 FRB-03 INR-10 NSAE-00 ICA-11  
TRSE-00 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01  
L-03 H-01 NSC-05 SS-15 STR-07 CEA-01 PA-01 OES-07  
INT-05 DOE-15 SOE-02 /148 R

DRAFTED BY NEA/ARP:J J ZIOLKOWSKI:LB  
APPROVED BY NEA/ARP:J W TWINAM  
NEA/RA:D MORRISON (SUBS)  
USDOC/CAGNE:J HEARN (PHONE)  
-----054405 260340Z /17

R 252312Z APR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY KUWAIT

C O N F I D E N T I A L STATE 105797

E.O. 11652: N/A

TAGS: ETRD, KU

SUBJECT: BOYCOTT OF ISRAEL/AMERICAN CAST IRON PIPE CO.

1. WALTER BOYCE OF AMERICAN CAST IRON PIPE COMPANY CALLED  
DEPARTMENT TO RELATE BOYCOTT PROBLEM ENCOUNTERED IN BIDDING  
ON MINISTRY OF ELECTRICITY AND WATER TENDER NO. 22/3/173-  
77/78 DATED APRIL 9, 1978. TENDER IS FOR 54 THOUSAND  
METRIC TONS OF DUCTILE IRON PIPES, FITTINGS, AND VALVES  
WITH APPROXIMATE VALUE OF DOLS 40 MILLION.

2. PARAGRAPH 14 OF INVITATION TO BID READS QUOTE:

TENDERERS SHOULD COMPLY WITH ALL RULES AND REGULATIONS  
CONNECTED WITH THE BOYCOTTING OF ISRAEL AND IT IS OBLIGATORY  
THAT THEY ATTACH TO THEIR OFFERS A CERTIFICATE ISSUED BY  
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THE ISRAEL BOYCOTT OFFICE DECLARING THAT THE (1) OFFER  
DOES NOT CONTRAVENE THE BOYCOTT OF ISRAEL LAW NO. 21 OF  
1964 AND ENSUING RESOLUTIONS PASSED BY THE BOYCOTT OFFICE  
AND (2) TENDERERS/SUPPLIERS ARE NOT BLACKLIST OR UNDER  
WARNING. TENDERS NOT ACCOMPANIED BY SUCH A CERTIFICATE  
WILL NOT BE CONSIDERED. THE SUCCESSFUL TENDERERS/SUPPLIERS  
WILL, PRIOR TO SIGNING THE CONTRACT, FURNISH ANOTHER

CERTIFICATE ISSUED BY THE ISRAEL BOYCOTT OFFICE CONFIRMING  
THAT THEY ARE NEITHER BLACKLISTED NOR UNDER WARNING BY THE

BOYCOTT OFFICE. IT IS UNDERSTOOD THAT IN THE ABSENCE OF  
SUCH A CERTIFICATE THE CONTRACT WILL NOT BE SIGNED AND IF  
THIS CERTIFICATE IS NOT SUBMITTED WITHIN THE TIME GIVEN  
BY THE MINISTRY, THE SUCCESSFUL TENDERER WILL FORFEIT THE  
VALUE OF HIS INITIAL GUARANTEE IN WHICH CASE THE MINISTRY  
WILL EITHER RE-ISSUE A NEW TENDER OR AWARD THE CONTRACT  
TO ANOTHER TENDERER OR CONCLUDE A DIRECT-SUPPLY CONTRACT  
AS A RESULT OF WHICH DEFAULTING SUCCESSFUL TENDERER WILL  
HAVE TO COMPENSATE THE MINISTRY ESPECIALLY WITH THE  
DIFFERENCE IN PRICE PLUS EXPENSES INCURRED. END QUOTE.

3. MR. BOYCE SAID THAT IF HIS COMPANY CAN WIN TENDER,  
SALE WOULD PROVIDE TWO MONTHS' WORK FOR ABOUT 3300  
EMPLOYEES. HE EXPECTS TENDER TO PROCEED ON STRICT  
COMPETITIVE BASIS WITH FRENCH, GERMAN, JAPANESE, AND  
U.K. FIRMS ALL BIDDING. BOYCE STATED THAT HIS FIRM IS  
COMPETITIVE IN ALL RESPECTS EXCEPT FOR PROVISION OF  
INFO ON BOYCOTT.

4. BIDS ARE TO BE IN KUWAIT BY MAY 21 BUT IN ORDER TO  
PREPARE PROPERLY FOR BIDDING, U.S. FIRM NEEDS TO KNOW  
BY WEEK OF MAY 1 IF BOYCOTT PROVISIONS CAN BE LIFTED.  
AMERICAN CAST IRON'S KUWAITI AGENT, MOHAMED NASSER AL-  
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SAYER AND SONS, IS ALSO AWARE OF BOYCOTT PROBLEM.

5. ACTION REQUESTED: WOULD APPRECIATE EMBASSY'S OPINION  
ON COURSE OF ACTION WHICH COMPANY SHOULD TAKE OR WHICH  
EMBASSY MIGHT MAKE ON FIRM'S BEHALF. FACT THAT U.S. FIRM  
HAS WELL-KNOWN KUWAITI AGENT SEEMS FAVORABLE AT THIS TIME  
HOWEVER BOYCE NOT REPEAT NOT SURE WHAT ACTIONS IF ANY,  
AL-SAYER MIGHT MAKE ON COMPANY'S BEHALF. BOYCE SAID  
THAT LIST OF SUPPLIERS FOR TENDER COULD BE QUITE LONG AS  
MANY NON-U.S. MANUFACTURERS ARE CAPABLE OF PRODUCING  
QUALITY PRODUCT TO MEET STANDARDS OF TENDER. GIVEN  
EMBASSY KUWAIT'S PREVIOUS SUCCESSES IN HANDLING BOYCOTT  
PROBLEMS, DEPARTMENT AND USDOC DEFER TO EMBASSY KUWAIT  
FOR NEXT STEP IN HANDLING THIS MATTER.  
VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** IRON, BOYCOTTS, PROPOSALS (BID), BUSINESS FIRMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE105797  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** J J ZIOLKOWSKI:LB  
**Enclosure:** DG ALTERED  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780177-0906  
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**Legacy Key:** link1978/newtext/t19780418/aaaaaowe.tel  
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**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 2661bca7-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN NEA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
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**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2851317  
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**Status:** NATIVE  
**Subject:** BOYCOTT OF ISRAEL/AMERICAN CAST IRON PIPE CO.  
**TAGS:** ETRD, KU, AMERICAN CAST IRON PIPE COMPANY, (BOYCE, WALTER)  
**To:** KUWAIT  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/2661bca7-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
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